This record is a partial extract of the original cable. The full text of the original cable is not available.

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ACTION EAP-00

INFO LOG-00 NP-00 AID-00 ACQ-00 CEA-01 CIAE-00 CTME-00 DOEE-00 SRPP-00 DS-00 EB-00 EXIM-01 E-00 FBIE-00 VC-00 FRB-00 H - 01TEDE-00 INR-00 IO-00 ITC-01 LAB-01 L - 00VCE-00 AC-01 NSAE-00 OES-01 OMB-01 OPIC-01 PA-00 PM-00 PRS-00 ACE-00 P-00 SP-00 SSO-00 SS-00 STR-00 T - 00USIE-00 PMB-00 DSCC-00 NFAT-00 SAS-00 DRL-02 G-00 /011W NFAT-00 SAS-00 /011W -----631227 150821Z /38

FM AMEMBASSY HANOI
TO SECSTATE WASHDC 0138
INFO ASEAN COLLECTIVE
AMEMBASSY BEIJING
AMEMBASSY TOKYO
SECDEF WASHDC
USDOC WASHDC
USDOC WASHDC
DEPTTREAS WASHDC
NSC WASHDC
DIA WASHDC
JICPAC HONOLULU HI
USCINCPAC HONOLULU HI//J5/FPA//

C O N F I D E N T I A L SECTION 01 OF 03 HANOI 001316

SIPDIS

STATE FOR EAP/BCLTV, EB/TPP/BTA/ODC AND INR/B STATE PASS TO USTR/DAMOND SECDEF ALSO FOR ISA/EA/LSTERN CONFIDENTIAL

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E.O. 12958: DECL: 06/15/00
TAGS: PREL ETRD VM US
SUBJECT: AMBASSADOR REVIEWS RELATIONS WITH FM NIEN

- 11. (U) CLASSIFIED BY CHARGE D'AFFAIRES DENNIS HARTER. REASON: 1.5 (B) AND (D)
- 12. (C) BEGIN SUMMARY: AMB. PETERSON CALLED ON FM
 NGUYEN DY NIEN JUNE 9 PRIOR TO THE FORMER'S DEPARTURE
 FOR WASHINGTON. NIEN HOPED THAT JACKSON-VANIK WAIVERS
 WOULD NO LONGER BE NECESSARY IN THE FUTURE AND THAT THE
 USG WOULD TAKE A MORE "FLEXIBLE" STANCE ON THE BTA.
 AMB. PETERSON SAID THE POLITICAL CLIMATE IN WASHINGTON
 MADE IT HIGHLY UNLIKELY THE ANNUAL JACKSON-VANIK REVIEW
 WOULD BE ELIMINATED ANY TIME SOON. HE TOLD NIEN THAT
 IT WOULD BE BETTER FOR HANOI TO SHELVE THE BTA UNTIL
 VIETNAM WAS READY RATHER THAN TO CONTINUE TO INSIST
 UNREALISTICALLY ON RENEGOTIATION OR CONCESSIONS. NIEN
 EXPRESSED HANOI'S ANNOYANCE WITH RECENT CONGRESSIONAL
 RESOLUTIONS ATTACKING VIETNAM AND REPEATED HIS
 GOVERNMENT'S REQUEST FOR U.S. AID FOR AGENT ORANGE
 VICTIMS. AMB. PETERSON EXPLAINED THE DIVISION OF
 POWERS IN THE USG, STRESSED THE NEED TO FORGE AHEAD ON
 ALL ISSUES AND REITERATED OUR OFFER TO WORK JOINTLY
 WITH VIETNAMESE SCIENTISTS ON SCIENTIFIC RESEARCH ON
 AGENT ORANGE. THE AMBASSADOR URGED NIEN TO REVERSE HIS
 MINISTRY'S RECENT ACTIONS TO TRY TO RESTRICT EMBASSY
- PAGE 03 HANOI 01316 01 OF 03 150821Z ACTIVITIES. TYPICALLY, NIEN WAS MAINLY IN A LISTENING MODE. REGULAR EXCHANGES ARE NONETHELESS USEFUL IN GETTING OUR MESSAGE TO THE SENIOR LEVELS OF THE GVN. END SUMMARY.
- 13. (C) AMBASSADOR PETERSON CALLED ON FM NGUYEN DY NIEN JUNE 9 TO REVIEW THE STATE OF BILATERAL RELATIONS PRIOR TO THE FORMER'S TRIP TO WASHINGTON TO DEAL WITH THE JACKSON-VANIK WAIVER VOTE AND OTHER ISSUES. THE AMBASSADOR SAID THAT HE WANTED TO SEE NIEN IN ORDER TO LET HIM KNOW THAT HE WOULD BE FOCUSING PRIMARILY ON TWO EVENTS IN WASHINGTON: (A) THE ASEAN AMBASSADORS' TOUR; AND (B) TO TESTIFY BEFORE CONGRESS IN CONNECTION WITH JACKSON-VANIK. THE ASEAN AMBASSADORS' TOUR PROVIDES A BROAD AUDIENCE OF IMPORTANT BUSINESS PEOPLE INTERESTED IN KNOWING ABOUT VIETNAM'S SITUATION. IN THIS REGARD, THEY WOULD ALSO FOLLOW CLOSELY DELIBERATIONS ON THE

HILL REGARDING JACKSON-VANIK. AMB. PETERSON SOLICITED FM NIEN'S VIEWS AND ANY IDEAS THAT WOULD HELP BUILD THE RELATIONSHIP FURTHER.

- 14. (C) NIEN COMMENTED THAT "WE SHOULD MEET EVERY TIME YOU GO TO WASHINGTON AS WELL AS WHEN YOU RETURN." HE THANKED PRES. CLINTON AND THE ADMINISTRATION FOR AGAIN RECOMMENDING A JACKSON-VANIK WAIVER FOR VIETNAM, BUT HOPED THAT IN THE FUTURE THIS WOULD NO LONGER BE AN ANNUAL NECESSITY.
- 15. (C) AMB. PETERSON SAID MANY IN THE U.S. WOULD ALSO LIKE TO DO AWAY WITH THE NEED FOR ANNUAL WAIVERS, BUT THAT THE POLITICAL CLIMATE THERE MADE THIS UNLIKELY.

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 HE EXPRESSED HIS VIEW THAT THE VOTES FOR WAIVER WILL
 CONTINUE INTO THE FUTURE. ON THE OTHER HAND,
 CONGRESSIONAL ACTION ON THE BILATERAL TRADE AGREEMENT
 (BTA) COULD GO QUICKLY ONCE A VOTE WAS ABLE TO BE
 SCHEDULED SINCE IT WOULD BE DONE ON A FAST-TRACK, UPOR-DOWN VOTE BASIS. THIS WOULD WORK TO VIETNAM'S
 BENEFIT.
- 16. (C) NIEN EXPRESSED THE GVN'S GREAT "ANNOYANCE" AT RECENT CONGRESSIONAL RESOLUTIONS DIRECTED AT VIETNAM. AMB. PETERSON REPEATED THAT WHICH HE HAD RECENTLY TOLD TO DEPUTY NATIONAL ASSEMBLY CHAIRMAN QUANG: THERE IS A CONSTITUTIONALLY DEFINED DIVISION OF POWERS IN OUR GOVERNMENT. SUCH ACTIONS AS THE NON-BINDING RESOLUTIONS RESULT FROM CONSTITUENT GROUP PRESSURES ON CONGRESS AND DO NOT TAKE INTO CONSIDERATION THE U.S' BROADER RELATIONS WITH COUNTRIES. HE REITERATED THE USG'S COMMITMENT TO BUILDING THE BILATERAL RELATIONSHIP AND ITS RECOGNITION OF VIETNAM'S GOVERNMENT, DESPITE WHAT MIGHT APPEAR IN NON-BINDING CONGRESSIONAL RESOLUTIONS CALLING THAT FACT INTO QUESTION.
- 17. (C) NIEN SHIFTED TO GENERAL SECRETARY LE KHA PHIEU'S RECENT OFFICIAL TRIP TO FRANCE, ITALY AND THE EU. DESCRIBING IT AS "VERY POSITIVE," HE SAID THE EUROPEANS "WERE MORE OPTIMISTIC ABOUT US THAN WE ARE." HE HOPED THE USG WOULD FOLLOW THE SAME POSITIVE COURSE REGARDING VIETNAM, THAT THIS WOULD BE REFLECTED IN THE U.S.' APPROACH TOWARD THE BTA.
- 18. (C) ON THE BTA, AMB. PETERSON SAID HE WANTED TO STRESS THAT, IF MINISTER OF TRADE VU KHOAN GOES TO WASHINGTON TO MEET WITH USTR BARSCHEFSKY IN RESPONSE TO HER RECENT INVITATION, THAT HE GO WITH INSTRUCTIONS TO FINALIZE THE AGREEMENT. IF NOT, THE PSYCHOLOGICAL DAMAGE TO THE BILATERAL RELATIONSHIP COULD BE QUITE SEVERE. THE GVN SHOULD THINK VERY CAREFULLY ABOUT THIS, HE ADDED. IT WOULD BE BETTER TO TELL US THAT THE GVN HAD DECIDED TO PUT OFF ALL FURTHER CONSIDERATION OF THE BTA UNTIL VIETNAM WAS READY RATHER THAN TO SEND KHOAN WITH DEMANDS THE USG WOULD FIND UNACCEPTABLE. THE AMBASSADOR NOTED THAT WE ARE DEALING WITH SO MANY ISSUES THAT ARE REACHING A HEAD FOR DECISIONMAKING THAT IT IS FRAYING OUR COLLECTIVE NERVES.
- 19. (C) THE RELATIONSHIP IS STILL FRAGILE, THE AMBASSADOR ADDED. BOTH SIDES NEED TO AVOID THE MINOR CONFIDENTIAL
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 IRRITANTS SO AS TO BE UNDISTRACTED IN PURSUING THE
 BIGGER ISSUES. FOR EXAMPLE, MFA PROTOCOL'S RECENT
 EFFORTS TO RESTRICT THE U.S. EMBASSY'S NORMAL
 ACTIVITIES IMPLIES A BREACH OF TRUST. SUCH ACTIONS
 "STRETCH THE FABRIC" OF OUR RELATIONSHIP. CORDIALITY
 IS CENTRAL IF THE MFA AND OUR DIPLOMATS ARE TO BE ABLE
 TO WORK CONSTRUCTIVELY TOGETHER. NIEN GAVE THE
 PREDICTABLE MFA REPLY OF "WE DON'T DISCRIMINATE IN
 THIS. IT'S NORMAL." AMB. PETERSON REPLIED THAT WE DO
 NOT MAKE SUCH DEMANDS LIMITING DIPLOMATIC ACTIVITIES ON
 SRV AMB. LE VAN BANG AND HIS DIPLOMATS IN THE U.S.
 DEMANDS SUCH AS INSISTING THE EMBASSY NOTIFY THE MFA
 EACH TIME IT HELD A PUBLIC EVENT OR SEEKING CLEARANCE
 OF EVERY MAILING WE MADE TO VIETNAMESE SHOWS LACK OF
 TRUST AND "CAUSES ME PERSONAL PAIN." SUCH IRRITANTS
 ARE EASILY AVOIDABLE AND SHOULD BE AVOIDED. NIEN SAID
 HE UNDERSTOOD AND WOULD "CHECK" INTO THIS ISSUE. HE
 AGREED BOTH SIDES NEEDED TO MAINTAIN TRUST. (COMMENT:
 NIEN HAS GIVEN THE SAME "WE'LL CHECK INTO THIS" REPLY
 WHENEVER THE AMBASSADOR HAS RAISED SIMILAR CONCERNS IN
 THE PAST. THE OFFICIAL HARASSMENT HAS CONTINUED OR
 INCREASED SINCE. END COMMENT.)
- 110. (C) AMB. PETERSON SAID ONE AREA WHERE THE USG IS DEMONSTRATING CONCRETELY ITS COMMITMENT TO MOVE FORWARD WITH THE RELATIONSHIP IS IN AID. USAID WILL SOON SET UP AN OFFICE HERE AND WILL BEGIN TO PROVIDE DIRECT ASSISTANCE. UNDER COMMODITY EXCHANGE PROGRAMS, THE U.S. HAS JUST TRANSFERRED AN ENTIRE HOSPITAL (WITHOUT

- STAFF) TO CENTRAL VIETNAM AND WE ARE PROVIDING \$3 MILLION FOR ADDITIONAL HUMANITARIAN EFFORTS. NIEN CONFIDENTIAL
- PAGE 04 HANOI 01316 02 OF 03 150821Z WELCOMED SUCH AID, BUT ADDED VIETNAM ALSO NEEDED AID TO DEAL WITH AGENT ORANGE.
- 111. (C) THE AMBASSADOR SAID THE USG COULD HELP VIETNAM WITH HEALTH PROBLEMS, REGARDLESS OF THE CAUSE. HE STRESSED, HOWEVER, ON AGENT ORANGE, THE SCIENCE HAS YET TO BE DONE. HE SAID HE PLANNED TO DISCUSS WITH THE NATIONAL ACADEMY OF SCIENCES THE IDEA OF INVITING SRV SCIENTISTS TO A MEETING IN THE U.S. TO DISCUSS WORKING ON A FRAMEWORK FOR JOINT COOPERATION ON RESEARCHING AGENT ORANGE. HE HAS ALREADY ASKED MOSTE MINISTER NHA TO MAKE SCIENTISTS AVAILABLE.
- 112. (C) NIEN HAD NO FURTHER COMMENTS ON AGENT ORANGE. HE RETURNED TO THE BTA, URGING GREATER FLEXIBILITY FROM THE USG. THE AMBASSADOR REPLIED THAT HE HAD JUST ATTENDED A UNDP PRESENTATION OUTLINING VIETNAM'S GREATEST NEEDS FOR DEVELOPMENT FOR THE NEXT DECADE. THE NUMBER ONE RECOMMENDATION WAS THAT VIETNAM SIGN THE BTA IMMEDIATELY AS IS. THE BTA LAYS OUT ALL THE PRECONDITIONS FOR CREATING THE MOST JOBS, GROWTH OF WEALTH, A MORE OPEN INVESTMENT ENVIRONMENT, ETC. THIS STUDY IS AIMED AT THE CPV'S UPCOMING NINTH PARTY CONGRESS. THE PLANNING NEEDS TO BE DONE NOW IF THE ENORMOUS POTENTIAL OF THE VIETNAMESE PEOPLE IS TO BE REALIZED, HE SAID.
- 113. (C) COMMENT: TYPICALLY FOR SRV OFFICIALS, NIEN HAD NOTHING NEW OR TERRIBLY INSIGHTFUL TO SAY ON U.S.-SRV RELATIONS, PARALLELING VICE FM BIN'S CONVERSATIONS WITH U/S PICKERING ON THE SAME SUBJECTS. THE PRINCIPAL VALUE IN THE MEETING WAS FOR THE AMBASSADOR TO CONVEY TO THE SENIOR LEVEL USG THINKING ON A RANGE OF ISSUES. NIEN AND HIS COLLEAGUES WILL LISTEN EQUALLY AS CLOSELY WHEN THE AMBASSADOR RETURNS TO FILL THEM IN ON THE LATEST THINKING ON VIETNAM IN WASHINGTON.

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